

H.L.C. Bill no.: 7-1-97
Amendment no.: 1
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AMENDMENT OFFERED BY MR. PALLONE ,
TO THE MEDICARE SUBSTITUTE OFFERED BY MR.
BILIRAKIS

Insert after section 4622 (page 215, after line 23)
the following new section:

1 **SEC. 4623. MEDICARE COVERAGE OF PHARMACEUTICAL**
2 **CARE SERVICES.**

3 (a) **COVERAGE.**—Section 1861(s)(2) (42 U.S.C.
4 1395x(s)(2)) is amended—

5 (1) by striking “and” at the end of subpara-
6 graphs (N) and (O); and

7 (2) by inserting after subparagraph (O) the fol-
8 lowing new subparagraph:

9 “(P) covered pharmaceutical care services (as
10 defined in subsection (oo)); and”.

11 (b) **SERVICES DESCRIBED.**—Section 1861 (42 U.S.C.
12 1395x) is amended by adding at the end the following new
13 subsection:

14 “Covered Pharmaceutical Care Services

15 “(oo)(1) The term ‘covered pharmaceutical care serv-
16 ices’ means pharmaceutical care services described in
17 paragraph (2) which are furnished by a pharmacist who
18 is legally authorized to furnish such services under State
19 law (or the State regulatory mechanism provided by State
20 law) of the State in which the services are furnished.

1 “(2) The pharmaceutical care services described in
2 this paragraph are as follows:

3 “(A) Services covered under subsection (s)(10)
4 (relating to certain vaccines and their administra-
5 tion)

6 “(B) Consultation with a physician which re-
7 sults in the physician taking any of the following ac-
8 tions with respect to an outpatient prescription drug
9 furnished to an individual enrolled under part B
10 (without regard to whether or not payment is made
11 for the drug under such part):

12 “(i) A change in the individual’s drug regi-
13 men to avoid an adverse interaction with an-
14 other drug or medical condition.

15 “(ii) A change in the dosage or form of an
16 outpatient prescription drug taken by the indi-
17 vidual.

18 “(iii) The elimination of a drug from the
19 individual’s drug regimen.

20 “(iv) The initiation of a drug therapy for
21 a medical condition.

22 “(C) Consultation with an individual enrolled
23 under part B which results in improved compliance
24 by the individual with an outpatient prescription
25 drug regimen with respect to any drug identified by

1 the Secretary pursuant to paragraph (3), if the
2 pharmacist maintains documentation (in accordance
3 with such requirements as the Secretary may im-
4 pose) that the improvement in compliance is consid-
5 ered necessary by the prescriber of the drug or
6 under peer-reviewed medical literature.

7 “(3)(A) With respect to the consultations described
8 in paragraph (2)(C), the Secretary shall, not later than
9 one year after the date of the enactment of this subsection,
10 identify and publish a list of outpatient prescription drugs
11 (without regard to whether payment is made for such drug
12 under part B) which are used in the treatment of the fol-
13 lowing conditions prevalent in the elderly:

14 “(i) Asthma and chronic obstructive pulmonary
15 disease.

16 “(ii) Congestive heart failure.

17 “(iii) Depression.

18 “(iv) Hyperlipidemia.

19 “(v) Non-insulin-dependent diabetes.

20 “(vi) Prevention of stroke (including
21 antihypertensive and anticoagulant therapy).

22 “(vii) Simultaneous use of 4 or more drugs.

23 “(B) Beginning 5 years after the date of the enact-
24 ment of this subsection, the Secretary may periodically up-
25 date such list of drugs to reflect changes in medical and

1 pharmaceutical practice, the development of new drugs,
2 and other factors the Secretary considers appropriate.”,

3 (c) PAYMENT.-

4 (1) IN GENERAL.—Section 1833(a)(1) (42
5 U.S.C. 13951(a)(l)) is amended-

6 (A) by striking “and (P)” and inserting
7 “(P)”; and

8 (B) by striking the semicolon at the end
9 and inserting the following: “, and (Q) with re-
10 spect to covered pharmaceutical care services
11 (as defined in section 1861(oo)), the amounts
12 paid shall be the amounts described in section
13 1834(k)(l);”.

14 (2) ESTABLISHMENT OF FEE SCHEDULE.—Sec-
15 tion 1834 (42 U.S.C. 1395m) is amended by adding
16 at the end the following new subsection:

17 “(k) FEE SCHEDULES FOR PHARMACEUTICAL CARE
18 SERVICES.-

19 “(1) DEVELOPMENT.—The Secretary shall de-
20 velop—

21 “(A) a relative value scale to serve as the
22 basis for the payment of covered pharma-
23 ceutical care services (as defined in section
24 1861(oo)) under this part; and

1 “(B) using such scale and appropriate con-
2 version factors, fee schedules (on a regional,
3 statewide, locality, or carrier service area basis)
4 for payment for covered pharmaceutical care
5 services under this part, to be implemented for
6 such services furnished during years beginning
7 after the expiration of the 3-year period which
8 begins on the date of the enactment of this sub-
9 section.

10 “(2) **CONSIDERATIONS.**—In developing the rel-
11 ative value scale and fee schedules under paragraph
12 (1), the Secretary shall take into account-

13 “(A) differences in the time required to
14 perform types of covered pharmaceutical care
15 services;

16 “(B) differences in the level of risk associ-
17 ated with the use of particular outpatient pre-
18 scription drugs or groups of drugs; and

19 “(C) differences in the health status of in-
20 dividuals to whom covered pharmaceutical care
21 services are provided.

22 “(3) **PAYMENTS PRIOR TO IMPLEMENTATION**
23 **OF FEE SCHEDULE.**—In the case of covered pharma-
24 ceutical care services described in subparagraph (B)
25 or (C) of section 1861(oo)(2) which are furnished

1 prior to the implementation of the fee schedule
2 under paragraph (l)(B), the amount of payment
3 made under this part shall be equal to 80 percent
4 of the amount which would be paid for the service
5 under the fee schedule applicable under section 1848
6 if the service were furnished by a physician.“.

7 (3) **REPORT TO CONGRESS.**-Not later than 3
8 years after the date of the enactment of this Act, the
9 Secretary of Health and Human Services shall sub-
10 mit a report to Congress on the relative value scale
11 and fee schedules developed pursuant to section
12 1834(k)(l) of the Social Security Act (as added by
13 paragraph (2)) for covered pharmaceutical services
14 under part B of the medicare program.

15 (d) **EFFECTIVE DATE.**-The amendments made by
16 this section shall apply to services furnished on or after
17 January 1, 1998.